West Virginia Coal Association

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Testimony of

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Hearing on the Sago Mine Accident and Mine Safety

January 23, 2006

Mr. Chairman, Members of the Committee:

Thank you for the invitation to address this Committee and for placing this important topic "Coal Mine Health & Safety" on your agenda for review and discussion.

Introduction:

My role and contribution to today's hearing will be defined by the following four (4) key points: First, to express our heartfelt prayers for the families who suffered great personal loss at the Sago Mine. Our prayers continue for Randall McCloy's full recovery and for his wife and family. We now extend those prayers and our state's unique circle of support to the families of Don Bragg and Ellery Hatfield of the Aracoma Mine tragedy. The deceased miners will forever be with us as we implement the necessary steps to improve coal mine safety and prevent recurrences. We also thank the mine rescue team members, the state federal and company officials who directed and guided their heroic and brave efforts at Sago, and whose performance in those dark and anxious hours will be analyzed for years to come. It is our hope that their performance will be constructively reviewed with an eye towards improving future rescue efforts; Thirdly, we are here as one of the nation's largest trade associations to offer our pledge to work with you in whatever capacity you deem appropriate in the discharge of your important work and to direct our Association's collective attention towards the identification and implementation of appropriate remedial measures; and Fourth, and subordinate to the preceding points, is the perceived need to preserve the integrity and future of the coal industry -- to implement the necessary changes from the lessons learned from the horrific accident that brings us here today and to elevate the understanding and appreciation of our industry which means so much to West Virginia and to our nation!

My personal background: I have nearly thirty-five years of experience in the coal mining industry beginning in 1971 during the immediate implementation of the 1969 Federal Mine Health and Safety Act and over thirty years of experience in mine health and safety.

I worked as an underground miner and for underground and surface mining companies. I have also worked for the federal and state mine safety agencies as a mine safety professional and safety instructor — certified to train and certify miners in all aspects of mining and mine safety including mine emergency preparedness and mine rescue operations.

As Training Director for the West Virginia Department of Mines (for then Governor Jay Rockefeller), I was responsible for approving mine training facilities, mine training plans and individual mine training instructors.

I possess underground Mine Foreman – Fire Boss certifications from WV and the state of Ohio where I worked for several years in the industry. I received my undergraduate and graduate degree from West Virginia University and have also completed many college level courses in mine safety, mining technology and mine industrial engineering.

I presently serve under gubernatorial appointment on the West Virginia Coal Mine Health and Safety Board; the West Virginia Mine Safety and Technical Review Committee; The West Virginia Board of Miner Training Education & Certification; and, the West Virginia Diesel Equipment Commission.

During my tenure on as a mine safety official, I have been involved in the review/investigation of serious mining accidents and practically every single mining death in West Virginia for the past twenty-five years.

As a member of the West Virginia Board of Coal Mine Health & Safety (the only independent entity in West Virginia with a statutory charge to investigate and respond to mine accidents), I will be part of the state's investigation and regulatory response to the Sago and Aracoma accidents!

West Virginia's coal industry is comprised of approximately 40,000 individuals who work directly in, or around a coal mining facility and without exception, miners, managers, engineers and support staff along with our entire state have been deeply saddened by the "Sago and Aracoma tragedies" and will continue to mourn for years to follow.

Our hearts and prayers are with the families and loved ones of the miners who perished in the Sago incident and we continue to pray for Randall McCloy's full recovery. We now extend those prayers and our state's unique circle of support to the families of Don Bragg and Ellery Hatfield of the Aracoma mine tragedy. I would observe that next to the immediate families of the deceased miners, nobody is saddened more than mine management officials over this tremendous loss. West Virginians share a special bond with their families, church and communities.

They have an unparalleled inner strength and inner faith and no where is that bond more prominent than in the coal industry.

For the record, The West Virginia Coal Association wholeheartedly embraces Governor Manchin's sentiments "that no miner should ever be fatally injured in a West Virginia coal mine". We also fully support the Governor's commitment to operate the safest mines in the world! We will commit the necessary resources over the months to come and will do everything humanly possible to achieve that shared goal!

First and foremost, that is our commitment which we believe is realistic and achievable!

We also maintain that the primary responsibility for achieving that goal rests firmly with those who own, operate and manage coal mining operations. A responsibility we not only acknowledge but aim to fulfill!

These tragic events have caught the eye of practically all of America in the past three weeks and the media has presented an accurate portrayal of the courage and overall character of the men and woman who have selected mining as a profession. They have a passion for their work and they do it with great pride and an exceptional level of professionalism!

Unfortunately, the events of January 2nd and those of last week have not accurately portrayed how technologically advanced mining has become and all of the progress and safety achievement that's been made over the past several decades. But one mining death is one too many and despite all the progress recorded in recent years, we now realize that much work remains! Particular focus is required in the post accident phase so that the effect of an accident can be minimized or mitigated!

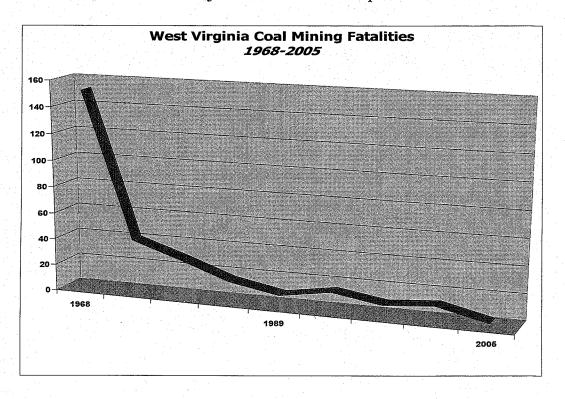
By its very nature, mining is unique (unlike any other business or industry) in that it is dependent on natural conditions and geology. Through their skills, training and hard work, miners attempt to control and manage the challenges of their environment – and they are good at it! It requires a supreme vigilance every minute of every shift.

Undoubtedly coal mining is a dangerous occupation with unique hazards inherent to the workplace but I would maintain that mining is much safer today than what was realistically believed possible a few short years ago.

New mining technologies such as longwall mining systems, remotecontrolled equipment design and mine wide atmospheric monitoring systems combined with the extraordinary skill & experience level of today's workforce has led to safer conditions and fewer accidents.

As a relevant part of my testimony and record today, I incorporate a copy of the most recent "Directory of Mines" which is published annually by the West Virginia Office of Miners' Health, Safety & Training. It contains useful statistical information and charts the mine safety performance of the industry over the years.

The "Directory" reflects a dramatic reduction in mining related deaths since passage of the 1969 Mine Safety Act when 162 fatal accidents were recorded to 3 for all of 2005. It also depicts a significant reduction in mine accidents and lost time injuries over this same period.



The state's annual report also reveals that the state of West Virginia has one of the more comprehensive mine safety programs found anywhere in the country with a full complement of mine safety inspectors, safety officials and an extremely aggressive legislative and regulatory program. It is also noteworthy to point out that no provision exists under federal law for states to acquire "primacy" over the administration of mine safety laws.

Consequently, all West Virginia mines are examined by state and federal inspectors throughout each and every quarter.

The significance of the industry and the important role coal plays in our everyday lives, which ranges from our basic quality of life to national defense and national security and should also serve as a tribute to the men and families of Sago!

Over the past several weeks we have heard local, regional, national and international media sources all ask a similar question: Why do we continue to mine coal?

Coal, and in particular, West Virginia coal, is crucial to our advanced society and extraordinarily quality of life. Coal continues to account for over fifty percent of the America's electricity. In West Virginia that figure is closer to 99%.

Over the past several decades our state's coal industry has a remarkably record of safety achievement, reclamation accomplishments and environmental stewardship. We are coordinating proposed mine sites with local and state planning agencies to ensure meaningful and more productive development occurs.

West Virginia is a shining example of where you can have a robust coal industry along with a thriving tourism industry -- you can truly have both and I submit to you that nobody is doing it better!

Today's industry represents a technologically advanced enterprise with a highly skilled and efficient workforce and has established a healthy presence in an international marketplace.

West Virginia produces approximately 160 millions tons of coal annually. Of that total, over 105 million tons or 65 % percent comes from underground mines and approximately 55 million tons of coal is produced from surface mines.

West Virginia continues to lead the nation in underground coal production and is second only to the state of Wyoming in overall coal production. West Virginia is the world's leader in Longwall mining and is the leading coal export state. All told, West Virginia coal is shipped to 23 foreign countries and accounts for approximately one half of the US total export product leaving domestic boundaries contributing immensely to the United States balance of trade.

We also have more processing plants than any other state, more transportation outlets and one of the more elaborate transportation systems and infrastructures you find anywhere in the world. It is comprised of rails, trucks and barges and we have the best quality and variety of coals found anywhere in the world.

Due to its clean and high quality, West Virginia coal is shipped throughout the eastern half of the United States to thirty-three states to generate electricity for industrial and household energy and for coking and steel production. West Virginia has the highest quality of coal found anywhere in the world and we have plenty of it (Reports of our diminishing reserve base has been wrongly placed)! We have over 52 billion tons of demonstrated mineable reserves or 350 years of production remaining at today's production levels.

The coal industry remains vitally important to our state and its economy. Together, with the states electric power industry, it accounts for nearly 60% of the total state business tax collections. These tax dollars translate directly into important education, government and community services and provide a reliable revenue stream for many other county, local and municipal programs.

No other state business or industry affects so many people in so many different ways! It's overall impact is staggering in terms of employment, wages, taxes and overall economic activity.

The state's industry is postured with an abundance of opportunity as the worlds thirst for low-cost, reliable energy grows on an incremental basis of nearly 2% annually. Thus, coal generally and West Virginia's coal particularly will continue to be a major player in the world wide energy mix on a going forward basis.

A strong energy market and high demand has created an uplifting and positive energy around the state that most of us in the business have not witnessed since the 70s -- And with that optimism comes the realization that we can do so much more if we are able to capitalize on todays opportunities.

West Virginia Coal will be relied upon more than ever for industrial and household energy; domestic energy independence; national strategic defense; homeland security, and today's ever popular "coal-to-liquids" and "coal conversion technologies".

And lastly, just as all miners and mine managers have come together to grieve over the tragic events of the last three weeks, they all need to be part of the solution so we may effectively prevent a similar event in the future. They all have unique experiences and qualifications to contribute!

Today, more than ever before miners, mine managers, engineers, research institutions and government officials need to become engaged to develop safer mining plans, better designed equipment and more effective ways to control our environment. Matters of safety, security and stability are shared responsibilities.

And as the industry prepares to retrain its existing workforce along with the next generation of skilled miners, the "Sago" miners will be forever remembered and serve as a daily reminder of the supreme vigilance required in the workplace!

Our membership has an abundance of safety, technical and operational expertise which has been called upon to respond to the challenges before us. We hereby extend those resources for your use and dedicate the same towards making the West Virginia Coal industry the safest in the world!

I'll close by reciting the inscription on the "The West Virginia Coal Miner" statue located on the grounds of our state capital which captures the essence and summarizes best the importance of the coal miner and coal mining to West Virginia and to the Nation...

"In honor and in recognition of the men and woman who have devoted a career, some a lifetime, towards providing the state, nation and world with low-cost, reliable household and industrial energy...Let it be said that "Coal" is the fuel that helped build the greatest country on earth, has protected and preserved our freedom and has enhanced our quality of life. God bless the West Virginia Coal Miner"

Thank You.